



VAREP

VETERANS ASSOCIATION OF
REAL ESTATE PROFESSIONALS



2016 POLICY

POSITION STATEMENT

2016 VAREP NATIONAL POLICY CONFERENCE

POLICY POSITION PAPER

The 2016 Veterans Association of Real Estate Professionals (VAREP) policy position statement is an evaluation of key policy issues that have a direct impact on VAREP's ability to accomplish its mission of increasing financial-literacy education, homeownership education, VA loan education, and sustainable homeownership for the active-military and veteran communities.

Veterans are members of a protected class. As such, laws have been passed to protect veterans on various employment, economic, and judicial issues.

In the same spirit, the Department of Veterans Affairs (VA) has a duty to educate veterans about the benefits of homeownership, being financially fit, getting mortgage-ready, and the benefits of the VA home loan program. However, these services are currently not available to veterans. This oversight has caused confusion, frustration, VA-loan discrimination, and housing discrimination among the veteran community.

The Veteran Financial-Literacy Education and Housing Counseling Gap

A study published in the American Journal of Public Health in 2013 found that financial factors, including lack of stable employment, inability to budget and make ends meet, limited financial knowledge, and poor financial decisions, can exist independently of mental health diagnoses and the other risk factors traditionally associated with veteran homelessness.

The 2015 Blue Star Families Military Family Lifestyle Survey showed that:

- 65% of active-duty families surveyed experienced stress related to their family's current financial condition.
- 84% agreed that greater focus should be placed on preventive financial education as a whole.

The 2010 VA National Veterans Survey (NVS) revealed the following reasons for veteran homeowners' not using the VA home loan benefit:

- 33.6% indicated they did not know about the program.
- 62.8% said their lender never discussed the VA loan option with them.
- 8.1% said their lender and/or REALTOR® discouraged the use of the VA loan.*

***Note: Discouraging the use of the VA loan, even because of lack of education or ignorance, is VA loan discrimination. VA loan discrimination is housing discrimination!**



3 POINT SOLUTION

A Multi-Agency, Administrative
& Legislative Approach

Policymakers and VA - Establish a veterans housing counseling program to include financial-literacy education under the Post 9/11 GI Bill

Using HUD's housing counseling program as a model, Policymakers should introduce and pass legislation to establish a housing counseling and financial education program for veterans as part of the VA home loan program under the GI Bill.

Policymakers and OCC Collaboration - Include a Veterans Provision in the Community Reinvestment Act (CRA)

This would allow CRA credit for financial institutions that purposefully reach out to the LMI veteran community and give them the home-buying education, counseling services, and credit access they need.

VA and HUD Collaboration - Include the VA loan into HUD's "Informed Consumer Choice Disclosure Notice"

This would mandate lenders to provide veteran borrowers with a written comparison between the VA, FHA, and conventional loan products. The current Informed Consumer Choice disclosure only has the FHA and Conventional loan product comparison. Let veteran consumers have the ability to make an informed choice about which loan product is best for them.

"As a housing non-profit for vets, by vets, our success is measured not by a balance sheet for shareholders, but by how many lives we can improve through our programs and services. Our proactive stance of providing financial-literacy education and advocating homeownership may not end the epidemic of homelessness among the veteran community, but can prevent it from happening in the future, one veteran at a time."

- Son Nguyen, VAREP National President and Founder



www.VAREP.net

For annual sponsorship program information and customized sponsorship opportunities, contact:

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